

D. ECONOMICS: PRODUCTION, DISTRIBUTION, EXCHANGE, CONSUMPTION

Content Standard: Students in Wisconsin will learn about production, distribution, exchange, and consumption so that they can make informed economic decisions.

Rationale: Individuals, families, businesses, and governments must make complex economic choices as they decide what goods and services to provide and how to allocate limited resources for distribution and consumption. In a global economy marked by rapid technological change, students must learn how to be better producers, consumers, and economic citizens. In Wisconsin schools, the content, concepts, and skills related to economics may be taught in units and courses including economics, history, government, global studies, and current events.

Performance Standards: By the end of grade four, students will:	Sample Alternate Performance Indicators: (1-3 per Standard)	Sample Performance Activities/Tasks: (1-2 per indicator)	Sources of Data
D.4.1. Describe and explain the role of money, banking, and savings in everyday life[2]	1. Understand the importance of money, banking, and saving[2]	1.a. Use play money to start a savings account in a classroom bank 1.b. Prioritize the monetary value of items the students need and want and compare to school savings(2)	
D.4.2. Identify situations requiring an allocation of limited economic resources and appraise the opportunity cost (e.g., spending one's allowance on a movie will mean less money saved for a new video game)[3]	1. Determine the amount of money to be paid in play money for satisfactory completion of activities [1] 2. Identify what to spend money on, and when to spend it[1] 3. Analyze long-term effects of spending and saving based on income needs and wants[3]	1.a. Keep track of money earned, spent, and used and provide monthly balance(1) 2.a. Use play money for monopoly creating strategies for budgeting and saving(2) 3.a. Develop a personal; budget and chart your decisions and reactions to external stimuli(3)	
D.4.3. Identify local goods and services that are part of the global economy and explain their use in Wisconsin[1]	1. Recognize the role Wisconsin plays in the global economy[1]	1.a. List (orally, with pictures, maps, or charts, or in simple writing) products and services Wisconsin economically exchanges on the global market(1)	

		1.b. Make a collage of products and services Wisconsin economically exchanges on the global market(1)	
D.4.4. Give examples to explain how businesses and industry depend upon workers with specialized skills to make production more efficient[2]	1. Identify the special skills needed to make business successful and production efficient[2]	1.a. List some special skills identified following presentations, field trips, or a study of three different places of business(1) 1.b. Create a T-list (with main ideas on one side of the "T" and details on the other) of the special skills needed for each business(2)	
D.4.5. Distinguish between private goods and services (e.g., the family car or a local restaurant) and public goods and services (e.g., the interstate highway system or the United States Postal Service)[2]	1. Recognize private goods and services[1] 2. Recognize public goods and services[1] 3. Give examples of private goods and services and how they impact our lives[2] 4. Give examples of public goods and services and how they impact our lives[2]	1.a. Use graphic organizers to brainstorm examples of private and public goods and services, and their impact on society(2)	
D.4.6. Identify the economic roles of various institutions, including households, businesses, and government[2]	1. Understand the concept of institution[1] 2. Give examples of various institutions[1]	1.a. Discuss how a family's household earns money(1) 2.a. Make collages of various institutions(1)	

	3. Understand economic role of institutions[2]	3.a. Make collages of workers and resources needed by institutions to make products or services available to consumers(2)	
D.4.7. Describe how personal economic decisions, such as deciding what to buy, what to recycle, or how much to contribute to people in need, can affect the lives of people in Wisconsin, the United States, and the world[3]	1. Analyze basic material, daily needs of different segments in the population in Wisconsin[3]	1.a. Name the kinds of food, living space, clothing, and fundamental goods and services the students' families need, and draw conclusions(3) 1.b. Discuss what could happen to families in another state if Wisconsin dairy farmers ceased exporting milk to other states(4)	
Performance Standards: By the end of grade eight, students will:	Sample Alternate Performance Indicators: (1-3 per Standard)	Sample Performance Activities/Tasks: (1-2 per indicator)	Sources of Data
D.8.1. Describe and explain how money makes it easier to trade, borrow, save, invest, and compare the value of goods and services[2]	1. Explain how money makes it easier to borrow, trade, save, and invest[2] 2. Explain the role of money in comparing the value of goods and services[2]	1.a. Use play money to start a savings account in a classroom bank. Determine the average monetary value of items the students need and want. According to value established, list in order of most to least expensive or valuable.(2) 2.a. Apply the concepts of savings and credit to students' expenditures and needs a) now and b)in ten years(3)	
D.8.2. Identify and explain basic economic concepts: supply, demand, production, exchange, and consumption; labor, wages, and capital; inflation and deflation; market economy and command economy; public and private goods and services[2]	1. Explain key ideas and economic concepts, and their relationships in today's market and economy[2]	1.a. Either orally, pictorially, or using simple written statements, define: supply, demand, production, consumption, labor wages, capital, inflation, deflation, and public and private goods and services(2) 1.b. Explain how families plan their finances to meet their goals. Give example from your experience (2)	
D.8.3. Describe Wisconsin's	1. Give example how Wisconsin	1.a. Make a collage of goods and services produced	

role in national and global economies and give examples of local economic activity in national and global markets[2]	<p>participates economically in a global market[2]</p> <p>2. Describe Wisconsin's global trade including both import and export[2]</p>	<p>in Wisconsin(1)</p> <p>1.b. Illustrate the history of cheese products, production, and marketing from the cow feed to the fuel and equipment necessary to deliver the product(2)</p> <p>2.a. Use graphic organizers to summarize information on Wisconsin imports and exports. (A web search may assist with locating your research data.)(2)</p>	
D.8.4. Describe how investments in human and physical capital, including new technology, affect standard of living and quality of life[3]	<p>1. Show the effect of investment in human capital on standards of living and quality of life .Compare two examples, and analyze the impact on your own life.[3]</p> <p>2. Show the effect of physical capital on standards of living and quality of life. Compare two examples, and analyze the impact on your own life [3]</p>	<p>1.a. Write the amount of "per pupil expenditures" in the school district and in three other districts with similar populations(1)</p> <p>1.b. Explain the need for post-secondary training in two different professions(3)</p> <p>2.a. Make a collage of technological advancements showing improvement of life for people in the United States(2)</p> <p>2.b. Analyze a scene of technological agricultural farming. Choose three differences in production methods to determine a cost factor for(3)</p> <ul style="list-style-type: none"> • estimate of time saved (orally or with pictures); • how time saved results in leisure time or more productivity. Include interviews with farmers from different backgrounds 	
D.8.5. Give examples to show how government provides for national defense; health, safety, and environmental protection; defense of property rights; and the maintenance of free and fair market activity[2]	<p>1. Explain how that government provides for its people in areas such as health, safety, and defense of property rights[2]</p> <p>2. Discuss how the government protects a competitive free and fair market</p>	<p>1.a. Create a T-list (with main ideas on one side of the "T" and details on the other) outlining governmental responsibilities (e.g., vision screening, immunizations, DARE), and fire prevention(2)</p> <p>1.b. Create a collage showing government services(1)</p> <p>2.a. Using a picture story, explain buying and selling</p>	

	activity in a changing society[2]	in a context of supply and demand(2) 2.b. Create a map of the United States showing where Wisconsin products are marketed	
D.8.6. Identify and explain various points of view concerning economic issues, such as taxation, unemployment, inflation, the national debt, and distribution of income[3]	1. Apply economic issues, such as taxation, inflation, and national debt, to our country's situation; predict a future scenario[3] 2. Discuss varying opinions about economic issues, depending on professional and economic status[3]	1.a. Survey the students' parents to determine the impact of changing tax laws(3) 1.b. List orally or in writing the different components of taxes withheld, e.g., FICA, state, and federal(1) 1.c. Create a T-list (with main ideas on one side of the "T" and details on the other) showing taxes and their uses (2) 2.a. Vote for or against a tax increase and explain the choice orally or in debate form (3)	
D.8.7. Identify the location of concentrations of selected natural resources and describe how their acquisition and distribution generates trade and shapes economic patterns[3]	1. Demonstrate how natural resources and their location impacts economic decisions[3]	1.a. Create a pictorial map of the Midwest depicting the location and type of natural resources. Predict these concentrations in 25 years(3)	
D.8.8. Explain how and why people who start new businesses take risks to provide goods and services, considering profits as an incentive[2]	1. Show how providing new goods and services and making money requires calculated risks with capital and other resources[2]	1.a. Dramatize small business ownership in the classroom. Be responsible for the sale of a classroom product (e.g., pencils, paper, or pens). Explain the supply and demand for the product orally or in written form(3)	
D.8.9. Explain why the earning power of workers depends on	1. Investigate if the amount of money workers earn depends on both how hard	1.a. Create lists of products produced in the students' city and arrange them both by monetary value and by	

their productivity and the market value of what they produce[2]	they work and the demand for the products they make[2]	necessity vs. luxury(2) 1.b. Predict the relative cost of labor for each product and, using community resources and surveys, verify the cost(3)	
D.8.10. Identify the economic roles of institutions such as corporations and businesses, banks, labor unions, and the Federal Reserve System[1]	1. Describe the economic roles of institutions, e.g., businesses, banks, and labor unions[1]	1.a. Create a picture story depicting the relationship between banks and businesses and labor, e.g., loaning money, paying employees, or employees saving money(2)	
D.8.11. Describe how personal decisions can have a global impact on issues such as trade agreements, recycling, and conserving the environment[2]	1. Show how personal decisions can have an impact on issues, e.g., conserving the environment and recycling[2]	1.a. Collect two weeks' worth of recyclable goods and predict orally or through pictures the effect of not recycling these goods(2)	
Performance Standards: By the end of grade twelve, students will:	Sample Alternate Performance Indicators: (1-3 per Standard)	Sample Performance Activities/Tasks: (1-2 per indicator)	Sources of Data
D.12.1. Explain how decisions about spending and production made by households, businesses, and governments determine the nation's levels of income, employment, and prices	1. Explain how household spending determines national income levels, prices, and employment	1.a. Make a list of products that families would or would not buy based on income	
D.12.2. Use basic economic concepts, e.g., supply and demand; production, distribution, and consumption; labor, wages, and capital; inflation and deflation; market economy and command economy, to compare and	1. Explain how supply and demand affect prices and wages 2. Use supply and demand to determine prices	1.a. Graph changes in wages over time 2.a. Graph the supply and demand curve of a local industry including the number of products produced at various prices	

contrast local, regional, and national economies across time and at the present time			
D.12.3. Analyze and evaluate the role of Wisconsin and the United States in the world economy	1. Identify the major Wisconsin industries 2. Identify where products are sold	1.a. Create a pictorial map of Wisconsin showing the locations of various industries 2.a. Gather information on industries from various sources, e.g., the Internet	
D.12.4. Explain and evaluate the effects of new technology, global economic interdependence, and competition on the development of national policies and on the lives of individuals and families in the United States and the world	1. Explain the effect of new technology, competition, and national policies on the lives of individuals or families	1.a. Select one new technological medium and explain how it affects the students' lives their families	
D.12.5. Explain how federal budgetary policy and the Federal Reserve System's monetary policies influence overall levels of employment, interest rates, production, and prices	1. Explain how the federal budgetary policy of the Federal Reserve acts to raise or lower the prime rate and affects markets	1.a. Develop a cause-and-effect graphic showing the prime rate's effect on monetary decisions	
D.12.6. Use economic concepts to analyze historical and contemporary questions about economic development in the United States and the world	1. Identify specific times in history where the economy has played a role in decisions and events	1.a. Give an example from the students' life of a political event or historical time and its economic effect 1.b. Interview a family or community member about a particular political event or historical time and its effect on them economically, e.g., World War II, the Depression, or the Vietnam War	
D.12.7. Compare, contrast, and	1. Understand differences and	1.a. Use a Venn diagram or other means to compare	

evaluate different types of economies (traditional, command, market, and mixed) and analyze how they have been affected in the past by specific social and political systems and important historical events	similarities between different kinds of economies and the effect of historical events	the economies of two different countries 1.b. Using a time ladder map, list key historical events or time periods relevant to economics	
D.12.8. Explain the basic characteristics of international trade, including absolute and comparative advantage, barriers to trade, exchange rates, and balance of trade	1. Explain international trade 2. Explain the following: <ul style="list-style-type: none"> • barriers to trade • exchange rates • balance of trade 	1.a. Interview store managers to find out the source of products and show these sources on a map 2.a. Give current examples of trade barriers, exchange rates, and the balance of trade	
D.12.9. Explain the operations of common financial instruments (e.g., stocks and bonds) and financial institutions (e.g., credit companies, banks, and insurance companies)	1. Explain the operation of a bank	1.a. Compare the services offered by two banks and note similarities and/or differences	
D.12.10. Analyze the ways in which supply and demand, competition, prices, incentives, and profits influence what is produced and distributed in a competitive market system	1. Explain the effect of competition on prices	1.a. Choose a product, e.g., shoes or cars in different regions, and compare the production cost and its affect on price	
D.12.11. Explain how interest rates are determined by market forces that influence the amount of borrowing and saving done by investors, consumers, and government officials	1. Explain the effect of interest rates on borrowing and saving	1.a. Interview people who recently purchased homes and people who purchased homes 10-20 years ago. Chart the similarities and differences	

D.12.12. Compare and contrast how values and beliefs, such as economic freedom, economic efficiency, equity, full employment, price stability, security, and growth, influence decisions in different economic systems	1. Compare and contrast the influence of values and beliefs on decisions in different economic systems	1.a. Using a Venn diagram or other graphic organizers, compare and contrast two countries' different economic systems	
D.12.13. Describe and explain global economic interdependence and competition, using examples to illustrate their influence on national and international policies	1. Explain competition and its influences on national and international countries	1.a. Identify an Eastern Hemisphere country in competition with the United States in the production of a particular product. Explain the advantages and disadvantages of trading with this country	
D.12.14. Analyze the economic roles of institutions, such as corporations and businesses, banks, labor unions, and the Federal Reserve System	1. Understand the economic roles of institutions such as businesses, banks, labor unions, and the Federal Reserve System	1.a. Create a flowchart depicting the relationship between banks, businesses, and labor (e.g., loaning money, paying employees, and employees saving money)	